

# TECHNOLOGY REPLACEMENT FUND

## DESCRIPTION

The Technology Replacement Fund was created in FY2000-01 to serve as an internal service function for general government technology replacement costs. This fund provides for the replacement of general government computers and related technology equipment.

## OBJECTIVES

- To allow Henrico County to utilize technological advancements as they occur.
- To spread the cost of replacing technology equipment over a period of multiple years to reduce the impact of large one-time purchases in a given year.
- To provide centralized accounting to accurately monitor the number and cost of technology equipment replacement.
- To ensure the County does not find itself in the position of having to issue long-term debt to pay for routine technology equipment.

## BUDGET HIGHLIGHTS

The FY2020-21 budget for the Technology Replacement Fund totals \$3,134,912. It is important to note that funding of \$3,000,000 to support this budget request is to be provided by a transfer from the General Fund. This represents an increase of \$250,000 in General Fund support from the previous approved budget. The FY2020-21 budget will mark the twenty-first year of the program and is the eighteenth year equipment in the fund can be replaced. It should be noted that in the current year, there are 3,056 computers and 1,251 other pieces of equipment in the program, which has an accumulated value of \$12,156,504. As of June 30, 2019, the Technology Replacement Fund had accumulated \$2,274,502 for future equipment replacement. The forecasted accumulated balance for the Fund as of June 30, 2020 is \$2,269,934.

## FISCAL YEAR 2021 SUMMARY

### Annual Fiscal Plan

Description	FY19	FY20	FY21	Change
	Actual	Original	Proposed	20 to 21
Personnel	\$ 0	\$ 0	\$ 0	0.0%
Operation	0	0	0	0.0%
Capital	2,825,150	2,754,568	3,134,912	13.8%
Total	<u>\$ 2,825,150</u>	<u>\$ 2,754,568</u>	<u>\$ 3,134,912</u>	<u>13.8%</u>

Technology Replacement Fund

PERFORMANCE MEASURES

	Performance Measures			
	FY19	FY20	FY21	Change 20 to 21
<b>Workload Measures</b>				
Accumulated Value of Equipment	11,928,496	12,156,504	12,503,425	346,921
Computers in Program	2,938	3,056	3,143	87
Other Equipment in Program	1,248	1,251	1,286	35
<b>Effectiveness Measures</b>				
Percent of Eligible Departments in Program	100%	100%	100%	0%

BUDGET HIGHLIGHTS (CONTINUED)

The departments that made formal requests for equipment replacement in FY2020-21 are Agriculture and Home Extension, Board of Supervisors, Building Inspections, Commonwealth’s Attorney, Community Revitalization, County Attorney, County Manager, Finance, General Services, Division of Fire, Human Resources, Information Technology, Planning, Police Division, Public Library, Public Relations and Media Services, and Recreation and Parks.

The request for replacement equipment includes equipment that is eligible and approved for replacement based on age and usage. While there may be a budget for specific items, some funding is provided for contingency and will only be spent if necessary. In an effort to reduce expenses, departments were requested to review computer requirements to determine if an extended replacement cycle is practical based on the use of the computer. The Department of Information Technology approves the replacement request based on the computer’s use as well as the user’s anticipated needs.

The Technology Replacement Fund proposed budget includes funding of \$23,000 of new item funding for the Police Division which includes funding for development of a password database to secure systems and programs in coordination with County IT as well as two new computers associated with requested new positions. The proposed budget also contains requests for 84 new computers for the Sheriff’s Office, a laptop for Internal Audit, and two video cards for Public Relations and Media Services. In addition, this budget includes \$2,811,899 for the replacement of computer equipment and software.

This year’s technology requests also include initial hardware needed by various departments for the implementation of the Electronic Land Management System (ELMS) project. The total amount of equipment requested for ELMS equipment through the replacement fund totals \$332,612 and represents requests by Building Inspections, Permit Center, and Planning. There is an additional \$118,958 in equipment needed by Public Utilities and Public Works as part of the ELMS project implementation that is not included in this request.



TECHNOLOGY REPLACEMENT  
Department Operating Budget  
Henrico County, Virginia  
FY 2021

Account Description	Prior Year Actual	Approved Budget	Proposed Budget	Dollar Inc/Dec	Percent Inc/Dec
50521 Computer Software	0	0	17,704	17,704	100.0%
50805 Computer Equipment-New \$5000 and Over	11,131	19,173	186,836	167,663	874.5%
50815 Computer Equipment-New Less Than \$5000	276,025	208,835	118,473	-90,362	-43.3%
50825 Computer Equipment-Replacement \$5000 and Over	267,240	1,546,445	1,791,941	245,496	15.9%
50835 Computer Equipment-Replacement Less Than \$5000	2,270,754	980,115	1,019,958	39,843	4.1%
Total Department	2,825,150	2,754,568	3,134,912	380,344	13.8%